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C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 001915

## SIPDIS

DEPT FOR EAP, EAP/MTS, EAP/MLS, EAP/RSP PASS TO IO/MPR-MATT GLOCKNER, IO/MPR- BRIAN HACKETT, USUN/MR-- BRUCE RASHKOW, USUSN/MR- CHERITH NORMAN

E.O. 12958: DECL: 11/19/2019
TAGS: PREL PGOV KUNR ID UN

SUBJECT: UN OVERSIGHT OFFICE -- INDONESIAN CANDIDATE

REF: SECSTATE 117720

Classified By: Pol/C Joseph L. Novak, reasons 1.4(b+d).

11. (C) SUMMARY: The Indonesian candidate for the UN Office of Internal Oversight Services (OIOS), Dr. Anwar Nasution, is an excellent candidate for OIOS Under Secretary-General. Well-regarded in Indonesia and by foreign observers, he is well known for his reform efforts during his tenure as Chair of Indonesia's State Audit Board and service with Indonesia's Central Bank. Dr. Nasution was educated in the U.S. and is a close contact of this Mission. Bio information is contained in para 5. END SUMMARY.

## CANDIDATE FOR OVERSIGHT OFFICE

- 12. (C) Dr. Nasution is an excellent candidate to head the UN's Office of Internal Oversight Services. He has a sterling reputation as a reformist interested in promoting good governance. He is close to President Yudhoyono and senior administration officials, and is considered by civil society to be fair and impartial. The host government is likely to support Dr. Nasution as OIOS head. He has considerable professional oversight expertise, having served as Senior Deputy Governor of Indonesia's Central Bank and as Chair of the State Audit Board (BPK).
- 13. (C) Mission knows of no disqualifying information regarding Dr. Nasution. He was named as a witness but not a suspect in a February 2008 corruption case involving the alleged bribery of an official. In a country where high level officials are sometimes implicated in corruption scandals, Dr. Nasution stands out for his unsullied image.

# THE RECORD OF A REFORMER

14. (C) Dr. Nasution helped make Indonesia's Supreme Audit Commission (BPK) one of the most accountable and transparent institutions in Indonesia. During his tenure there, he exhibited exceptional leadership. Under his guidance, the BPK became an autonomous institution able to broaden its public finance audits. He also increased transparency by making BPK reports available to the public on its website and by directly reporting suspected fraud to law enforcement agencies. Nasution also supported autonomous management of Papua and West Papua provinces' financial affairs by tailoring capacity-building programs for them. This helped boost Papua's confidence in its sometimes difficult relationship with Jakarta. Nasution cooperated closely with the Mission, and was instrumental in supporting a new USAID program designed to promote accountability in the State Audit Board and elsewhere.

#### BIO INFORMATION

15. (U) Please find attached a bio-sketch of Dr. Nasution (Mission will provide his C.V. shortly):

## Begin text:

Dr. Anwar Nasution retired as Chairman of the State Audit Board (BPK) on October 19, 2009. Prior to assuming the position in 2004, Nasution was Senior Deputy Governor of the Indonesian Central Bank from 1999-2004.

Anwar Nasution was Dean and Professor at Economics Department of the University of Indonesia from February 1998 to 2001. He was also Consultant at the University's Center for Policy and Implementation Studies. He was Chairman of the National Committee for Indonesia's Financial Development and the Pacific Economic Cooperation Council in 1995. From March 1998 to 2000, he was also Deputy Chair of International Relations of the Indonesia Economists Association. In June 1999, he was appointed acting chief of the Bank Indonesia after its governor was declared a suspect in the Bank Bali scandal. He resigned as acting chief on November 15th, 2000, when nominated as one of four governors of the Central Bank.

Between 1984 and 1995, Nasution was Economic Advisor to the Minister for Cooperatives of Indonesia. In 1987, he attended the Twentieth Regular Course at the Lemhannas - the Indonesian National Resilience Institute - in Jakarta. He was also a consultant to USAID Indonesia projects from 1990 to 11991.

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n\*wa Nasution was born on August 5, 1942. In 1968, he graduated from the Faculty of Economics, Universty of Indonesia. He went on to get his Masters n Public Administration from the Kennedy School f Government, Harvard University in 1973. Anwar btained a Ph.D in Economics from Tufts Universit, Massachusetts, in 1982. He specializes in thefields of Applied Macroeconomic Theory, MonetaryEconomics and International Economics.

End text

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